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C O N F I D E N T I A L SECTION 01 OF 03 AMMAN 003399

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TAGS: [KPAO](#) [PHUM](#) [ECON](#) [ECPS](#) [KMPI](#) [JO](#)

SUBJECT: JORDAN'S STIFLED (BUT EXPANDING) MEDIA SECTOR

Classified By: CDA DAVID HALE FOR REASONS 1.5 (B)(D)

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Summary  
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1. (C) Jordan,s media sector has seen rapid expansion recently, driven by government measures to open the broadcast sector to private ownership and a booming advertising market. Private radio has begun broadcasting in Jordan for the first time, while plans are underway for Jordan,s first private television broadcasts. Print media is also booming, with new daily newspapers and glossy magazines riding the ad revenue wave. Content, however, remains stifled. A 50 percent premium on the cost of a radio license to broadcast news has discouraged anything but pure music formats to date, and a recent survey of journalists by a government-appointed press council indicates widespread dissatisfaction with government intimidation and meddling in media issues. The new Badran government will have to demonstrate progress in the field of press freedoms if it is to demonstrate a real commitment to reform. End Summary.

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Radio Booms, Absent the News  
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2. (SBU) Jordan,s media landscape has undergone rapid expansion recently as a result of both government and business-driven trends. The first is implementation of a 2002 law to open Jordan,s radio and television sectors for the first time to private broadcasts. After a lengthy period during which a new Audio-Visual Commission (AVC) was created and its bylaws drafted and approved by the Cabinet, the country has seen (or rather, heard) half a dozen new radio ventures licensed and on air. To date, new broadcasts have only appeared in the capital Amman and have been limited to music-only formats. One reason for this is that a license to broadcast news is priced by the new AVC at 50 percent higher than a license for "entertainment" broadcasts. The head of the AVC has defended this policy by arguing that news is more popular, so ad revenues can be expected to be higher, but the effect has been to maintain so far the government,s monopoly on domestic radio news broadcasts. (Note: the GOJ does license foreign news broadcasters such as Radio Sawa, BBC and Radio Montecarlo. End Note.)

3. (SBU) The current state of affairs may be tested soon, however, as "Ammannet", a popular on-line radio station focusing on local affairs was granted an FM radio license in early 2005 after a long delay. Ammanet is a non-profit media venture targeting and staffed by young Jordanians and was founded with financial support from the Open Society Institute and the European Community. Ammannet,s license application languished for months at the AVC while other licenses (some filed subsequent to theirs) were promptly approved, reportedly due to a stalemate within the Cabinet wherein the AVC Director lobbied against issuance while prominent Cabinet reformists -- reportedly Spokesperson Asma Khader and Deputy Prime Minister Muasher among them -- argued persuasively in favor. Like other new licensees, Ammannet received approval for an "entertainment" license, which Ammannet,s founder Daoud Kuttab told IO would be interpreted "loosely" by the station, enabling it to produce social and cultural programming that impacts local issues. Kuttab also told IO he had been advised not to seek a pure "news" license, as the GOJ may not have been inclined to approval. He speculated that licensing authorities are not likely worried about the activities of a mainstream NGO such as his, but rather the precedent that could thereafter be exploited by other potential applicants, namely the Muslim Brotherhood which already operates a highly successful weekly newspaper in Jordan.

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Television, Too  
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4. (SBU) Perhaps more important is the GOJ,s recent decision to license private television broadcasts. Media mogul Mohammad Alayyan, publisher of Arabic daily Al Ghad (launched in 2004 riding the same ongoing ad revenue boom) applied for and received a license from the AVC, then purchased the rights to broadcast over one of the government,s terrestrial channels for a reported 2 million

Jordanian Dinars (USD 2.8 million). He has brought in set designers and newsroom consultants with prior experience at the UK's Independent Television News (ITN) and Dubai's Al Arabiya and plans a high-production value station that will produce local news and compete with Jordan Television for a local audience, and internationally via satellite. Alayyan told IO he believes Jordan's television advertising market has been left almost completely undeveloped by Jordan TV and has strong profit potential given the current rapid growth in advertising revenue. Alayyan is close to the palace (he was the only journalist appointed to the Palace-formed committee preparing a new "National Agenda") and is said to be operating with the support of the King, long rumored to be dissatisfied with the performance of JTV as it has steadily lost viewers to Al Jazeera and other outlets that do not represent his own thinking.

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Ad Wars Driving the Boom  
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15. (U) Driving this new activity is dramatic growth in advertising revenue. Total "media spend" (print, radio, television, outdoor) increased 25 percent from 2003 to 2004, according to the Jordan office of international market research firm IPSOS, and has continued this upward trajectory into 2005. Much of the increase has come from economic sectors recently liberalized as a result of government reforms, notably the telecommunications and banking sectors. Telecom and related industry advertising accounted for \$17 million of media spend in 2004, while banking accounted for \$11 million. The next highest sector was automobile manufacturers and dealers at \$4 million. Soft drink manufacturers, once the kings of the local ad market, according to analysts, came in at just \$3 million in spend that has remained steady for many years. The GOJ opened the mobile phone market to competition in the late 1990's, and last year gave up its monopoly on fixed line services, decisions that have led to fierce competition among telecom companies. Similarly, in its decision over the past year and a half to license several new foreign retail-oriented banks as a means to encourage improved service and business activity, the GOJ touched off an ad war among banks fighting for retail and business customers. These facts bear out the analysis of many in Jordan who say that GOJ decisions to reform and deregulate the economy are driving multiple changes through the culture and society. Among other manifestations of the boom are a slew of high society glossy magazines (many in English) built on ads for luxury goods, travel destinations, fashion photographs and haute cuisine recipes aimed at a growing and consumer driven elite audience.

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What about Content?  
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16. (C) While the business side of media seems to be taking hold in Jordan, these developments have not until now led to a dramatic change in content. Restrictive laws remain on the books that prevent criticism of the King and Royal family, the army or security services, or reporting that is "harmful" to Jordan's relations with other countries. The security services are said to be heavily infiltrated into most media organizations and to intimidate journalists and editors into avoiding discussion of sensitive topics, most dealing with domestic issues. Al Ghad, an independent Arabic daily established in 2004 has featured some groundbreaking reporting on controversial subjects, for instance a series of articles on radical and Salafist Islamist movements in Jordan, but continues to face pressure from security services according to a number of journalists who work there. The paper was forced in late 2004 to stop reporting information it uncovered detailing abuse within Jordan's prison system, for example. A report released recently by the government-appointed Higher Media Council showed that many reporters and editors complain of undue government interference in their work, citing threats and summoning by the security services. GOJ officials have cited release of the report as evidence the government is prepared to acknowledge the current poor situation and is determined to improve it. Encouraging greater access to information and media freedom was cited specifically in the King's recent letter of designation to Prime Minister Adnan Badran. Al Ghad's Alayyan told Charge the King advised him simply to ignore security services' requests -- and if need be, inform him directly of any persistent pressure.

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Comment  
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17. (C) The ongoing media expansion in Jordan is a positive sign, though it remains too early to tell if the result will be added content and a press that begins to contribute more meaningfully to Jordanian society. As it is, the press

remains stifled by a security apparatus that continues to view media openness as a threat or at least with great suspicion, an attitude developed over decades where the media was used as a propaganda tool by rival governments and political movements. Given that the recent expansion is due largely to GOJ decisions to open the media sector to new, independent ventures, it would appear there is either disagreement or a good deal of ambivalence within the GOJ as to how free and independent the media ought to become. At the very least, the current developments are creating the basis for financially-independent media, itself a significant step that could make a positive contribution to Jordan's reform process.

HALE